

Five - Year Plan
Northeast Nebraska Telephone Company
Prague

Year #	Planned Dollar Amount Capital Improvement (CAPx)	Estimated # of Square Miles Served by Capital Improvement	Estimated Population Served By Capital Improvement	Depreciation Expense Associated with Network Improvements Years 1 through 5 (Note 1)	Depreciation Expense Associated with Network Improvements for Years Prior to Year 1 (Note 2)	On-going Maintenance/ Operating Expense (Note 3)
Existing Expense- Total Company	x	x	x	x		
1 01/01/2015 to 12/31/2015					x	x
2 01/01/2016 to 12/31/2016					x	x
3 01/01/2017 to 12/31/2017					x	x
4 01/01/2018 to 12/31/2018					x	x
5 01/01/2019 to 12/31/2019					x	x

Note 1: Depreciation expense in this column represents only the incremental depreciation expense associated with the CAPx (Investment) put in service in each year of the plan:

Note 2: Depreciation expense in this cell is the company's current depreciation expense associated with investment for network plant previously deployed. This is NOT allocated between exchanges. The purpose for this input is to demonstrate that although network investment has been deployed prior to year 1, recovery is still required in order to pay off said investment.

Note 3: The expense in this cell is the company's current non-depreciation expenses associated with investment for network plant previously deployed. This is NOT allocated between exchanges. The purpose for this input is to demonstrate that there are on-going expenses associated with the network deployed prior to year 1.

Note 4: This information is not relevant because the capital improvements are upgrades to the existing plant.

Note 5: No capital improvements under \$[REDACTED] were included.

Five - Year Plan
Northeast Nebraska Telephone Company
Spencer

Year #	Planned Dollar Amount Capital Improvement (CAPx)	Estimated # of Square Miles Served by Capital Improvement	Estimated Population Served By Capital Improvement	Depreciation Expense Associated with Network Improvements Years 1 through 5 (Note 1)	Depreciation Expense Associated with Network Improvements for Years Prior to Year 1 (Note 2)	On-going Maintenance/ Operating Expense (Note 3)
Existing Expense- Total Company	x	x	x	x		
1 01/01/2015 to 12/31/2015					x	x
2 01/01/2016 to 12/31/2016					x	x
3 01/01/2017 to 12/31/2017					x	x
4 01/01/2018 to 12/31/2018					x	x
5 01/01/2019 to 12/31/2019					x	x

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Five - Year Plan
 Northeast Nebraska Telephone Company
 Stuart

Year #		Planned Dollar Amount Capital Improvement (CAPx)	Estimated # of Square Miles Served by Capital Improvement	Estimated Population Served By Capital Improvement	Depreciation Expense Associated with Network Improvements Years 1 through 5 (Note 1)	Depreciation Expense Associated with Network Improvements for Years Prior to Year 1 (Note 2)	On-going Maintenance/ Operating Expense (Note 3)
	Existing Expense- Total Company	x	x	x	x		
1	01/01/2015 to 12/31/2015					x	x
2	01/01/2016 to 12/31/2016					x	x
3	01/01/2017 to 12/31/2017					x	x
4	01/01/2018 to 12/31/2018					x	x
5	01/01/2019 to 12/31/2019					x	x

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Note 5: No capital improvements under \$████ were included.

Five - Year Plan
Northeast Nebraska Telephone Company
Waterbury

Year #		Planned Dollar Amount Capital Improvement (CAPx)	Estimated # of Square Miles Served by Capital Improvement	Estimated Population Served By Capital Improvement	Depreciation Expense Associated with Network Improvements Years 1 through 5 (Note 1)	Depreciation Expense Associated with Network Improvements for Years Prior to Year 1 (Note 2)	On-going Maintenance/ Operating Expense (Note 3)
	Existing Expense- Total Company	x	x	x	x		
1	01/01/2015 to 12/31/2015					x	x
2	01/01/2016 to 12/31/2016					x	x
3	01/01/2017 to 12/31/2017					x	x
4	01/01/2018 to 12/31/2018					x	x
5	01/01/2019 to 12/31/2019					x	x

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Note 5: No capital improvements under \$[REDACTED] were included.

Five - Year Plan
Northeast Nebraska Telephone Company
Weston-Malmo

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Existing Expense- Total Company	x	x	x	x		
1 01/01/2015 to 12/31/2015					x	x
2 01/01/2016 to 12/31/2016					x	x
3 01/01/2017 to 12/31/2017					x	x
4 01/01/2018 to 12/31/2018					x	x
5 01/01/2019 to 12/31/2019					x	x

Note 1: Depreciation expense in this column represents only the incremental depreciation expense associated with the CAPx (Investment) put in service in each year of the plan:

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Note 4: This information is not relevant because the capital improvements are upgrades to the existing plant.

Note 5: No capital improvements under \$50,000 were included.

Five - Year Plan
Northeast Nebraska Telephone Company
Winside

Year #		Planned Dollar Amount Capital Improvement (CAPx)	Estimated # of Square Miles Served by Capital Improvement	Estimated Population Served By Capital Improvement	Depreciation Expense Associated with Network Improvements Years 1 through 5 (Note 1)	Depreciation Expense Associated with Network Improvements for Years Prior to Year 1 (Note 2)	On-going Maintenance/ Operating Expense (Note 3)
	Existing Expense- Total Company	x	x	x	x		
1	01/01/2015 to 12/31/2015					x	x
2	01/01/2016 to 12/31/2016					x	x
3	01/01/2017 to 12/31/2017					x	x
4	01/01/2018 to 12/31/2018					x	x
5	01/01/2019 to 12/31/2019					x	x

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Note 5: No capital improvements under \$ [REDACTED] were included.

Northeast Nebraska Telephone Company

Certification of Compliance with Applicable Service Quality Standards and Consumer Protection Rules

Service Quality Standards

Northeast Nebraska Telephone Company:

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no additional charge to end users.
- Provides access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.
- Advertises the availability of its services and the charges using media of general distribution and on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during normal business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
 - Answer all incoming calls promptly.
 - Respond to all inquiries for information promptly and courteously.
 - Investigate thoroughly all customer complaints and handle appropriately according to the Company's guidelines for resolution of customer complaints.
 - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.

Consumer Protection Rules

Northeast Nebraska Telephone Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information.

JUN 27 2014

Northeast Nebraska Telephone Company
Ability to Remain Functional in Emergency Situations

FCC Mail Room

1. Northeast Nebraska Telephone Company (NNTC) has been providing high quality service in Nebraska since 1955. This includes operating in adverse conditions including blizzards, ice storms, thunderstorms, tornadoes and during prolonged power outages. NNTC's management team, plant supervisors, plant technicians and customer service representatives have the training, experience and equipment necessary to respond to, manage and operate in emergency situations.
2. Northeast Nebraska Telephone Company follows applicable Rural Utilities Service (RUS) Telecommunications program practices and guidelines including the Telecommunications Engineering and Construction Manual (TE&CM) and other industry standards available to small telecommunications carriers. Northeast Nebraska Telephone Company also meets the requirements of the Nebraska Public Service Commission (NPSC) as applied to local exchange service.
3. Back-Up Power

3.1. Central Office

- 3.1.1. Northeast Nebraska Telephone Company maintains storage batteries in each central office designed to provide a minimum reserve capacity consistent with RUS TE&CM 1751E-302, Power Requirements for Digital Central Office Equipment. 1751E-302 paragraph 2.3.4 recommends a minimum reserve capacity of 8 hours, or 3 hours if the central office is equipped with an emergency standby generator. This is consistent with Title 291, NPSC Telecommunications Rules and Regulations, Chapter 5, paragraph 002.05 Emergency Operations and Power.
- 3.1.2. Northeast Nebraska Telephone Company maintains a dedicated standby generator fueled with natural gas, propane or diesel fuel at each central office location. The standby unit is equipped with an automatic transfer switch so that in the event of an interruption of the commercial electric power lasting more than a few minutes, the standby generator starts automatically and provides electrical power to the central office equipment, air conditioning and building lighting. The automatic transfer switch also exercises the standby unit periodically and an alarm indication is sent if the standby generator does not start so that telecommunications personnel can perform proactive maintenance.

Northeast Nebraska Telephone Company
Ability to Remain Functional in Emergency Situations

3.2. Remote Equipment Cabinets

3.2.1. Where electronic equipment in cabinets located remotely from the central office, is used to provide service, the cabinets are equipped with batteries designed to operate for a minimum of eight hours without commercial electrical power. In addition, Northeast Nebraska Telephone Company maintains portable AC standby generators for use in the event of prolonged commercial power interruptions and the cabinets are equipped with external receptacles to facilitate connection to portable generators.

3.3. Optical Network Terminations (ONT's)

3.3.1. Where Fiber-to-the-Premises (FTTP) technology has been deployed the ONT's are powered by micro-uninterruptable power supplies (UPS) located on the customer premises and powered from the customer's commercial electrical power. The UPS batteries are specified for a minimum of eight hours of reserve capacity. The FTTP electronics system monitors the ONT's and notifies NNTC's maintenance personnel when any ONT's batteries are no longer capable of holding the charge required for the designed battery reserve capacity so that NNTC can work with the customer to replace the UPS batteries. NNTC also maintains a cache of UPS's for routine and emergency replacement.

4. Rerouting Traffic around Damaged Facilities

4.1. In the event of damage to cable facilities owned by Northeast Nebraska Telephone Company, our maintenance personnel would restore service using emergency splice kits kept on hand for these types of service disruptions. If the damaged facilities are not owned by Northeast Nebraska Telephone Company we would work with the carrier directly affected to identify the source of disruption and the estimated amount of time before service is restored.

4.2. For those NNTC central office locations which have diverse cable routes or are part of a fiber optic ring, critical circuits such as 911 trunks and SS7 A-links are assigned to diverse routes to the extent that this can be coordinated with the connecting carrier(s). Every effort is made to assign critical circuits over diverse facilities where available so that a single outage does not isolate customers from critical services.

Northeast Nebraska Telephone Company
Ability to Remain Functional in Emergency Situations

- 4.3. In the event of an extended outage, contact would be made with another service provider which has a separate, physical cable connection with NNTC to provision temporary alternate routes supporting originating and terminating toll calls. Emphasis would first be placed on establishing connections to nearby PSAP, law-enforcement and emergency services.

5. Managing Traffic Spikes

- 5.1. Northeast Nebraska Telephone Company meets Title 291, NPSC Telecommunications Rules and Regulations, Chapter 5, paragraph 002.12 Dial Service Objectives for sufficient central office capacity and equipment during the "...average busy hour-busy season..."
- 5.2. Northeast Nebraska Telephone Company follows applicable RUS practices 522 and 322 when specifying, administering, and assigning facilities within its control (as opposed to facilities ordered by connecting interexchange carriers).
- 5.3. Northeast Nebraska Telephone Company uses a Metaswitch soft switch platform. A geo-diverse switching architecture is used whereby redundant Media Gateway Controllers are located in separate physical locations. If a Media Gateway Controller goes out of service at one location, the other Media Gateway Controller continues to support all subtending trunks and access lines at all locations served by the Media Gateway Controller(s).
- 5.4. The Metaswitch will provide performance up to 250,000 Busy Hour Call Attempts (BHCA) of which we are currently operating at 11,741 BHCA. The backplane is non-blocking and will allow 24 DS-0's of traffic to be passed per DS-1 port. When traffic volumes greatly exceed specified criteria and additional capacity of the switch or connecting facilities, the Metaswitch continues to process calls but with potentially longer waiting times for dial tone, higher post-dialing delays and a higher probability of callers receiving all trunks busy indications (fast busy) and having to redial calls. Depending on the magnitude and duration of extreme peak demand, NNTC would examine alternatives such as provisioning additional facilities and work with connecting carriers to expedite additional capacity.



**Northeast Nebraska
Telephone Company**
YOUR COMMUNICATION SOURCE

Received & Inspected

JUN 27 2014

FCC Mail Room

June 12, 2014

The Omaha Nation of Nebraska
Attn: Janelle Hernandez
POBox 368
Macy, NE 68039

Dear Janelle,

Per our phone call on June 12, 2014, we discussed the services Northeast Nebraska Telephone Company provides to The Omaha Nation. Per FCC 54.313, we are following up to ensure that the following are true:

- 1) NNTC exchange boundaries serves all rural customers in The Omaha Nation today. Please contact NNTC's General Manager at 402-632-4321 if there is ever any development in our exchange boundary that The Omaha Nation believes needs additional telecommunications services.
- 2) NNTC has invested in an all fiber optic network in this area to prepare for future bandwidth needs.
- 3) NNTC has no intention of marketing any of its products in a culturally insensitive manner. If The Omaha Nation feels that any marketing materials are offensive or insensitive, please contact Ranae Chase, Marketing Manager at NNTC, at 402-632-4321.
- 4) Prior to any construction in The Omaha Nation right of way, NNTC or its representative engineers will make a good faith effort to contact Omaha Nation authorities for approval before proceeding.
- 5) NNTC believes it is in compliance with all known Omaha Nation licensing requirements.

With all of these items, if the Omaha Nation would like any clarification or has any suggestions, NNTC would welcome discussing it further.

Please feel free to contact any member of the senior management at the address listed below:

NNTC
110 East Elk Street
PO Box 66
Jackson, NE 68743

Attn: Emory Graffis, GM or Pat McElroy, Asst. GM.
egraffis@nntc.net or pmcelroy@nntc.net or 402-632-4321

Sincerely,

Pat McElroy
Asst. General Manager

JUN 27 2014

FCC Mail Room

Northeast Nebraska Telephone Company**Nebraska Telephone Assistance Program Terms and Conditions****Nebraska Telephone Assistance Program**

The Nebraska Telephone Assistance Program (NTAP) is available for qualifying customers of Northeast Nebraska Telephone Company. NTAP assistance reduces the cost of basic, monthly local telephone service. Eligible consumers can receive up to \$12.75 per month in discounts. In addition, the Federal Universal Service Charge is not assessed to consumers participating in NTAP. Toll Blocking prevents the placement of all long distance calls for which a subscriber would be charged. Toll blocking is available to eligible consumers at no cost. Also, by choosing this option, consumers are usually not charged a deposit.

NTAP is administered by the Nebraska Public Service Commission.

NTAP Eligibility Information**Program Based Eligibility**

To qualify for NTAP, subscribers must either have an income that is at or below 135% of the Federal Poverty Guidelines, or the subscriber, one or more of the subscriber's dependents, or the subscriber's household must receive benefits from one of the following assistance programs:

- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance (Section 8)
- Medicaid
- Children's Health Insurance Program/Kids Connection (SAM, MAC or EMAC)
- Supplemental Nutrition Assistance Program (SNAP); (formerly the Food Stamps Program)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- National School Lunch Program Free Lunch program
- State assistance programs (if applicable)

To receive an NTAP application, contact your local *Health and Human Services* agency caseworker or the *Nebraska Public Service Commission*, 1200 N Street, Suite 300, PO Box 94927, Lincoln, NE 68508-4927, Phone: 402-471-3101, Toll Free: 1-800-526-0017 or <https://ntap.gisworkshop.com/>

NTAP applicants must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying state, federal or Tribal program; notice letter of participation in a qualifying state, federal or Tribal program; program participation documents; or another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.

Income Based Eligibility

In addition, consumers are eligible for NTAP if their household income is at or below 135% of the federal poverty guidelines.

2014 Federal Poverty Guidelines – 135%

Household Size	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$15,755	\$19,683	\$18,117
2	\$21,236	\$26,541	\$24,422
3	\$26,717	\$33,399	\$30,726
4	\$32,198	\$40,257	\$37,031
5	\$37,679	\$47,115	\$43,335
6	\$43,160	\$53,973	\$49,640
7	\$48,641	\$60,831	\$55,944
8	\$54,122	\$67,689	\$62,249
For each additional person, add	\$5,481	\$6,858	\$6,305

Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

Tribal Eligibility

A subscriber who lives on Tribal lands and is an eligible resident of Tribal lands is eligible for Tribal Lifeline service or Tribal Link Up if the subscriber, one or more of the subscriber's dependents, or the subscriber's household participates in any of the above-listed qualifying assistance programs or one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs General Assistance; Tribally Administered Temporary Assistance for Needy Families; Head Start (if income eligibility criteria are met); or the Food Distribution Program on Indian Reservations (FDPIR). Tribal subscribers may also qualify if the household income is at or below 135% of the Federal Poverty Guidelines.

Tribal subscribers should contact Northeast Nebraska Telephone Company for additional information on Tribal Lifeline and Tribal Link Up.

Numbers of Minutes-of-Use Provided as Part of NTAP Program Service

Northeast Nebraska Telephone Company's Voice NTAP service includes unlimited local minutes-of-use within the toll-free calling area. Northeast Nebraska Telephone Company's Voice NTAP Plan does not include any free minutes-of-use for toll. Toll is billed at the standard toll rate depending on which interexchange carrier the consumer subscribes to for toll service. As part of the NTAP service, Toll blocking is available to eligible consumers at no cost.

Rates

Subscribers may receive the NTAP credit on any type or grade of local service, including bundled services that are normally offered by Northeast Nebraska Telephone Company. Advertised rates do not include any applicable taxes or surcharges..

Recertification of NTAP Eligibility

NTAP recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for NTAP will result in termination of the NTAP recipient's monthly NTAP discount and de-enrollment from NTAP.

Additional NTAP Program Information

NTAP is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined as an individual or group of individuals who live together at the same address and share income and expenses. NTAP is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0571-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

LSDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

THESE DATA WILL BE USED BY RUS TO REVIEW YOUR FINANCIAL STATEMENT. YOUR RESPONSE IS REQUIRED BY 7 U.S.C. 3031(a)(4) AND, SUBJECT TO FEDERAL LAW AND REGULATIONS REGARDING CONFIDENTIAL INFORMATION, WILL BE PROVIDED AS CONFIDENTIAL.

BORROWER NAME
Northeast Nebraska Telephone Company
(Prepared with Audited Data)

INSTRUCTIONS: Submit report to RUS within 30 days after close of the period.
For detailed instructions, see RUS Bulletin 1714-2. Report in whole dollars only.

PERIOD ENDING
December, 2013

BORROWER DESIGNATION
NE0524

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.
ALL INSURANCE REQUIRED BY 7 CFR PART 178B, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

Received & Inspected

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 178B OF 7 CFR CHAPTER XVII

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been satisfied in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) have specifically described in the Telecom Operating Report.

David Armstrong

3/31/2014
DATE

FCC Mail Room

JUN 27 2014

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. ARBITRAGE			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mkt. LT Debt		
4. Non-ARBITRAGE			30. Current Mkt. LT Debt-Rur. Dev.		
a. Telecom, Accounts Receivable			31. Current Mkt. Capital Leases		
b. Other Accounts Receivable			32. Income Taxes Accrued		
5. Notes Receivable			33. Other Taxes Accrued		
6. Billed and Unbilled Receivable			34. Other Current Liabilities		
7. Material-Nonregulated			35. Total Current Liabilities (25 thru 34)		
8. Prepayments			LONG-TERM DEBT		
9. Other Current Assets			36. Funded Debt-RUS Notes		
10. Total Current Assets (1 thru 9)			37. Funded Debt-RTTB Notes		
NONCURRENT ASSETS			38. Funded Debt-RTTB Notes		
11. Investment in Affiliated Companies			39. Funded Debt-Other		
a. Rural Development			40. Funded Debt-Rural Develop. Loan		
b. National Development			41. Premium (Discount) on LT Debt		
12. Other Investments			42. Recognized Debt		
a. Rural Development			43. Obligations Under Capital Lease		
b. National Development			44. Adv. From Affiliated Companies		
13. Nonregulated Investments			45. Other Long-Term Debt		
14. Other Noncurrent Assets			46. Total Long-Term Debt (43 thru 45)		
15. Deferred Charges			OTHER LIAB. & DEF. CREDITS		
16. Jurisdictional Differences			47. Other Long-Term Liabilities		
17. Total Noncurrent Assets (11 thru 16)			48. Other Deferred Credits		
PLANT, PROPERTY, AND EQUIPMENT			49. Other Jurisdictional Differences		
18. Telecom, Plant-in-Service			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
19. Property Held for Future Use			EQUITY		
20. Plant Under Construction			51. Cap. Stock Outstanding & Subscribed		
21. Plant Adv., Nonop. Plant & Goodwill			52. Additional Paid-in-Capital		
22. Less Accumulated Depreciation			53. Treasury Stock		
23. Net Plant (18 thru 21 less 22)			54. Membership and Cap. Certificates		
24. TOTAL ASSETS (1 thru 23)			55. Other Capital		
			56. Patronage Capital Credits		
			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35-46+50+58)		

Total Equity = 56.14% of Total Assets

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION NB0524	
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING December, 2013	
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 6 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 26]			
48. DSCR [(31+26+10+11) / 44]			

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS INSTRUCTIONS - See RUS Bulletin 1744-2						BORROWER DESIGNATION NE0524 PERIOD ENDED December, 2013	
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Allen-Waterbury							
Bartlett							
Bristow							
Bristow, SD							
Butte							
Coleridge							
Cleanwater							
Craig							
Decatur							
Dixon							
Jackson							
Long Pine							
Linwood-Morse							
Bluff							
Martinsburg							
Newcastle							
Obert							
Prague							
Spencer							
Stuart							
Winside							
Weston							
MobileWireless							
Route Mileage							
Outside Exchange							
Area							
Total							
No. Exchanges							

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION NR0524			
		PERIOD ENDING December, 2013			
INSTRUCTIONS- See RUS Bulletin 1744-2					
PART D. SYSTEM DATA					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile		
PART E. TOLL DATA					
1. Study Area ID Code(s) a. 371576 b. c. d. e. f. g. h. i. j.		2. Types of Toll Settlements (Check one) Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis Intrastate: <input checked="" type="checkbox"/> Average Schedule <input type="checkbox"/> Cost Basis			
PART F. FUNDS INVESTED IN PLANT DURING YEAR					
1. RUS, RTB, & PFB Loan Funds Expended					
2. Other Long-Term Loan Funds Expended					
3. Funds Expended Under RUS Interim Approval					
4. Other Short-Term Loan Funds Expended					
5. General Funds Expended (Other than Interim)					
6. Salvaged Materials					
7. Contribution in Aid to Construction					
8. Gross Additions to Telecom. Plant (1 thru 7)					
PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION NE0524 <hr/> PERIOD ENDING December, 2013
PART H. CURRENT DEPRECIATION RATES	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)	
<input checked="checked" type="checkbox"/> YES <input type="checkbox"/> NO	
EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION NE0524
INSTRUCTIONS -- See help in the online application.		PERIOD ENDED December, 2013
PART I -- STATEMENT OF CASH FLOWS		
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	
CASH FLOWS FROM OPERATING ACTIVITIES		
2.	Net Income	
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3.	Add: Depreciation	
4.	Add: Amortization	
5.	Other (Explain) Interest Receivable, Subsidiary Earnings, Gain on Plant	
<i>Changes in Operating Assets and Liabilities</i>		
6.	Decrease/(Increase) in Accounts Receivable	
7.	Decrease/(Increase) in Materials and Inventory	
8.	Decrease/(Increase) in Prepayments and Deferred Charges	
9.	Decrease/(Increase) in Other Current Assets	
10.	Increase/(Decrease) in Accounts Payable	
11.	Increase/(Decrease) in Advance Billings & Payments	
12.	Increase/(Decrease) in Other Current Liabilities	
13.	Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES		
14.	Decrease/(Increase) in Notes Receivable	
15.	Increase/(Decrease) in Notes Payable	
16.	Increase/(Decrease) in Customer Deposits	
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	
20.	Less: Payment of Dividends	
21.	Less: Patronage Capital Credits Retired	
22.	Other (Explain) Change in Deferred Income Tax Liability	
23.	Net Cash Provided/(Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES		
24.	Net Capital Expenditures (Property, Plant & Equipment)	
25.	Other Long-Term Investments	
26.	Other Noncurrent Assets & Jurisdictional Differences	
27.	Other (Explain) Plant Retirements Not Creating Cash, Unrealized Investment Gains	
28.	Net Cash Provided/(Used) by Investing Activities	
29.	Net Increase/(Decrease) in Cash	
30.	Ending Cash	

Revision Date 2010

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION NE0524
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION NE0524
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	